

Message Text

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ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 CIAE-00 COME-00 EB-08 INR-10
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PA-02 ICA-20 /078 W
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R 250710Z AUG 78
FM AMEMBASSY CANBERRA
TO SECSTATE WASHDC 4133
INFO AMCONSUL BRISBANE
AMCONSUL MELBOURNE
AMCONSUL PERTH
AMCONSUL SYDNEY
AMEMBASSY LONDON
AMEMBASSY TOKYO
AMEMBASSY WELLINGTON

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E.O. 11652: N/A
TAGS: ELAB, AS, BEXP
SUBJ: PRIME MINISTER THREATENS TELECOMMUNICATIONS WORKERS

1. SUMMARY: PRIME MINISTER FRASER, SPEAKING AT A PRESS CONFERENCE AFTER A CABINET MEETING ON AUGUST 24, THREATENED THE TOUGHEST POSSIBLE GOVERNMENT ACTION AGAINST TELECOM EMPLOYEES IF THEY CONTINUE THEIR WORK BANS (REFUSAL TO CARRY OUT ESSENTIAL MAINTENANCE). HE SAID THE GOVERNMENT IS STRONGLY SUPPORTING MOVES BY TELECOM FOR THE DEREGISTRATION OF THE AUSTRALIAN TELECOMMUNICATIONS EMPLOYEES ASSOCIATION (ATEA). IT IS ALSO PLANNING, IF NECESSARY, TO USE LEGISLATION, ENACTED IN 1977, TO LAY OFF OR FIRE TELECOM TECHNICIANS INVOLVED IN THE DISPUTE. THERE IS, ACCORDING TO RELIABLE SOURCES, STRONG PRESSURE IN THE CABINET FOR DECISIVE ACTION AGAINST THE UNION.

2. THE CABINET MINISTERS, HOWEVER, HAVE DECIDED TO DELAY ANY DIRECT MOVES UNTIL ATEA'S RANK AND FILE MEETS EARLY NEXT WEEK
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TO CONSIDER AN EXECUTIVE BOARD RECOMMENDATION THAT THE REFUSAL TO CARRY OUT MAINTENANCE REPAIRS BE CONTINUED.

3. IN THE MEANTIME DISRUPTIONS TO AUSTRALIA'S TELECOMMUNICATIONS NETWORK ARE MOUNTING FOLLOWING SETBACKS IN NEGOTIATIONS.

4. THE UNION HAS WIDENED REPAIR AND MAINTENANCE BANS ON TELEX

AND COMPUTER DATA SERVICES USED BY LARGE SCALE BUSINESS CORPORATIONS.

5. THE ESCALATION OF THE 26-DAY DISPUTE HAS THROWN AN ESTIMATED 70 PERCENT OF THE COUNTRY'S TELEPHONE SERVICES INTO CHAOS.

6. THE FEDERAL CABINET HAS ALSO DECIDED TO SUPPORT TELECOM'S MOVES TO HAVE A CLAUSE INSERTED IN THE UNION'S AWARD WHICH WOULD PROHIBIT REFUSAL BY MEMBERS TO CARRY OUT MAINTENANCE AND WOULD SUBJECT THE UNION TO HEAVY PENALTIES.

7. THE DISPUTE, WHICH IS BASICALLY ABOUT AUTOMATION AND JOB RECLASSIFICATION, HAS SO FAR COST TELECOM AN ESTIMATED DOLS 12 MILLION AND IS NOW COSTING DOLS 1 MILLION A DAY. END OF SUMMARY.

8. THE DISPUTE, WHICH IS NOW IN ITS FOURTH WEEK, IS LIKELY TO BE A LONG ONE. IT HAS ALREADY CAUSED A 24 HOUR STRIKE, BANS AND LAY-OFFS. IT IS MARKED BY THE SAME BITTERNESS AS OTHER RECENT CAMPAIGNS OVER WHAT AUSTRALIAN UNIONS SEE AS THE ISSUE OF SAVING JOBS - LIKE THE POSTAL AND MEATWORKERS (LIVE SHEEP EXPORT) DISPUTES EARLIER THIS YEAR.

9. AT THE HEART OF THE CLASH IS TELECOM'S DESIRE TO AUTOMATE THE TELEPHONE EXCHANGE NETWORK; WHICH WILL BE 75 PERCENT COMPUTERIZED BY 1982.

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10. IN PRACTICAL TERMS THIS MEANS THAT TELEPHONE EXCHANGE WON'T NEED A MAINTENANCE STAFF. THIS WILL BE PERFORMED BY A HIGHLY TRAINED WORKFORCE OF EIGHT TO TEN OFFICERS LOCATED IN A REGIONAL "EXCHANGE MAINTENANCE CENTER" SERVING UP TO 14 EXCHANGES. THIS WILL BE A BIG STEP FORWARD TOWARD TELECOM'S ULTIMATE GOAL OF A MAINTENANCE FREE, COMPLETELY UNSTAFFED SYSTEM.

11. THIS, OF COURSE, REQUIRES NEW STAFFING STRUCTURE. WORKERS FORMERLY EMPLOYED IN MAINTENANCE EXCHANGES WILL SWELL THE RANKS OF THOSE IN OTHER AREAS, FOR EXAMPLE, INSTALLING TELEPHONES. THIS WILL MEAN THAT SKILLED CRAFTSMEN EARNING BETWEEN A DOLS 9,000 AND DOLS 10,000 A YEAR WILL NO LONGER GET PROMOTED AS TECHNICIANS ON BETWEEN DOLS 10,000 AND DOLS 11,000 A YEAR. AND TECHNICAL OFFICERS WILL REGARD THEIR POSSIBILITIES OF PROMOTION TO SUPERVISORY POSITIONS VIRTUALLY BLOCKED BY THE COMPRESSION OF MORE STAFF PERSONNEL INTO A NARROWER STRUCTURE.

12. THE UNION REPRESENTING THE EMPLOYEES WHO CARRY OUT MAINTENANCE, IS THE 26,000 MEMBER ATEA. IT CLAIMS THAT IN THE RUSH TOWARD UNTRIED NEW TECHNOLOGY, TELECOM IS ALSO

CLOSING OFF JOB OPENINGS TO HIGH SCHOOL GRADUATES NOW
SWELLING THE RANKS OF THE UNEMPLOYED. THE TELECOM INTAKE FOR
TECHNICAL OFFICERS WAS 106 IN 1976, 48 IN 1977 AND ZERO IN 1978.

13. TELECOM, HOWEVER, HAS A NATIONWIDE TOTAL OF 87,000 HIGHLY
UNIONIZED EMPLOYEES IN 26 DIFFERENT LOCAL AND NATIONAL UNIONS.

14. THE MINISTER FOR EMPLOYMENT AND INDUSTRIAL RELATIONS,
MR ANTHONY STREET, IS ATTEMPTING TO ARRANGE FOR AN URGENT
MEETING OF THE TRIPARTITE NATIONAL LABOR CONSULTATIVE COUNCIL.

15. THIS COMPRISES THE AUSTRALIAN COUNCIL OF TRADE UNIONS
(ACTU), THE AUSTRALIAN COUNCIL OF SALARIED AND PROFESSIONAL
ASSOCIATIONS, THE COUNCIL OF AUSTRALIAN GOVERNMENT EMPLOYEE
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ORGANIZATIONS, NATIONAL EMPLOYER GROUPS, AND THE FEDERAL
GOVERNMENT.

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16. IT IS CLEAR THE GOVERNMENT SEES THIS AS A MEANS OF

INVOLVING THE ACTU PRESIDENT BOB HAWKE IN THE DISPUTE AND BRINGING FURTHER PRESSURE ON THE ACTU TO BACK DOWN.

17. MR HAWKE, HOWEVER, HAS MADE IT CLEAR THAT THE ACTU WOULD NOT INTERVENE AS OF THIS DATE BECAUSE OF THE FEDERAL GOVERNMENT'S RECENT RECORD OF ASKING THE ACTU TO STEP IN AND THEN CRITICIZING IT WHEN IT FOUND A SOLUTION. (THIS WAS A REFERENCE TO THE UTAH COAL MINERS' SETTLEMENT WHICH DREW LOUD PROTESTS FROM THE GOVERNMENT).

18. THERE ARE APPROXIMATELY 3,000 TELECOM EMPLOYEES WHO, ALTHOUGH STILL ON THE PAYROLL, ARE NOT BEING PAID BECAUSE OF THEIR REFUSAL TO CARRY OUT WHAT THE COMPANY TERMS NORMAL MAINTENANCE. TELECOM ALSO CONTINUES TO INSIST THAT NO EMPLOYEES WILL LOSE THEIR POSITIONS BECAUSE OF THE INSTALLATION OF AUTOMATED EXCHANGES. THE UNION CLAIMS, HOWEVER, THAT AUTOMATED EXCHANGES WILL INEVITABLY LEAD TO A LOSS OF JOBS.
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19. DEREGISTRATION PROCEEDINGS UNDER THE CONCILIATION AND ARBITRATION ACT NORMALLY TAKE TEN DAYS TO TWO WEEKS. BUT FOLLOWING THE 1977 AMENDMENTS THE ACT OF GOVERNMENT NOW HAS A RANGE OF OPTIONS SHORT OF ACTUAL DEREGISTRATION.

20. IT CAN SUSPEND CERTAIN RIGHTS AND PRIVILEGES OF A UNION INCLUDING FREEZING ITS FUNDS OR TAKING CONTROL OF ITS FUNDS.

21. IT IS ALSO UNDERSTOOD THAT ONE OPTION WOULD PERMIT TELECOM TO STOP CHECKING OFF UNION DUES, AMOUNTING TO DOLS 55,000 A WEEK. THIS COULD CAUSE SEVERE ADMINISTRATIVE PROBLEMS FOR ATEA.
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